

REMARKS

In the outstanding Official Action, the Examiner:

(1) rejected claims 1, 3-10 and 15-16 under 35 USC 103(a) as being unpatentable over Hayes-Roth (U.S. Patent Application Publication No. 2003/0028498) ("Hayes-Roth") in view of Vance (U.S. Patent No. 6,267,672) ("Vance");

(2) rejected claim 12 under 35 USC 103(a) as being unpatentable over the combination of Hayes-Roth and Vance and further in view of Nakisa (U.S. Patent No. 6,968,315) ("Nakisa"); and

(3) rejected claims 13-14 under 35 USC 103(a) as being unpatentable over the combination of Hayes-Roth and Vance and further in view of Kolawa et al. (U.S. Patent Application Publication No. 2006/0026048) ("Kolawa").

In response to Items 1 through 3 above, Applicants respectfully disagree with the Examiner's rejections. Applicants do not believe that the present invention is either anticipated or rendered obvious by the references cited by the Examiner.

Looking first at Hayes-Roth, Applicants believe that Hayes-Roth discloses a human-like computer-based customizable expert agent which is used to interact with and assist a user in the same manner as a human expert agent would assist a user. In essence, Hayes-Roth uses a virtual human to provide a help function to a user.

Hayes-Roth does not disclose Applicants' method of doing business which includes, among other things, providing an individual with a virtual environment and at least one virtual element within the virtual environment, wherein the virtual environment is configured so that additional virtual elements can be introduced into the virtual environment, and wherein at least

one of said virtual elements comprises a virtual character comprising a behavior state, an emotion state and a learning state, and wherein the behavior state, the emotion state and the learning state are capable of changing in response to (i) stimuli received from within the virtual environment and/or (ii) commands from outside of the virtual environment; and enabling a customer to add an additional virtual element to the virtual environment, wherein the enabling is effected by: (i) requiring the customer to buy a product which is different than, and unrelated to, the additional virtual element, and (ii) as a consequence of the customer's purchase of the product, supplying the customer with access to the additional virtual element, whereby to induce the customer to buy the product.

More particularly, Applicants do not believe that Hayes-Roth discloses a system or method which allows a user to add an additional virtual element to a virtual environment. Rather, Applicants believe that the paragraphs referenced by the Examiner (i.e., [0006], [0007] and [0179]) merely describe a system which is able to store property elements of a user in a database so as to provide a customizable expert agent. Thus, Applicants do not believe that the present invention is anticipated or rendered obvious by Hayes-Roth.

With regard to Hayes-Roth and Vance, the Examiner stated in the outstanding Official Action that Hayes-Roth "does not expressly disclose requiring the customer to buy a product". The Examiner also stated that "[i]t would have been obvious to one of ordinary skill in the art at the time of applicant's invention to have modified the method of Hayes-Roth to have included requiring the customer to buy a product, as taught by Vance, in order to encourage consumers to purchase a product".

After reviewing Vance, Applicants respectfully disagree with the Examiner's argument.

More particularly, Applicants believe that Vance discloses a system which encourages consumers to purchase a product by providing the consumer with access to a remotely accessible game when the consumer purchases a product. Applicants do not believe that Vance discloses a system where a customer is supplied with access to an additional virtual element for adding into an existing virtual environment, nor do Applicants believe that it would have been obvious to do so from the combination of Hayes-Roth and Vance.

Furthermore, Applicants do not believe that the additional references cited by the Examiner (i.e., Nakisa and Kolawa) remedy the aforementioned deficiencies of Hayes-Roth and Vance.

Accordingly, Applicants believe that claims 1 and 16 are in condition for allowance, and allowance thereof is respectfully requested.

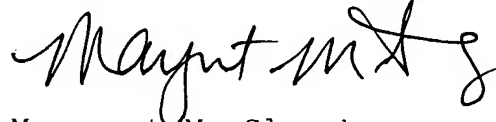
In addition, claims 3-10 and 12-15, which depend from claim 1, either directly or indirectly, are believed to be allowable at least through dependency.

Thus, Applicants believe that this patent application is now in condition for allowance, and allowance thereof is respectfully requested.

In the event that any fees may be required in this matter,
please charge the same to Deposit Account No. 16-0221.

Thank you.

Respectfully submitted,



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